

【For Immediate Release】



**KINGSOFT WPS SOFTWARE REACHES RECORD HIGH SALES IN
GLOBAL AND DOMESTIC MARKETS DURING 2011**

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**WPS SIGNED ITS FIRST LARGE PURCHASE ORDER IN 2012
AND CONTINUES TO SEEK FOR BREAKTHROUGHS**

(7 February 2012 – Hong Kong) Kingsoft Corporation Limited (“Kingsoft” or the “Company”; SEHK stock code: 03888), a leading entertainment software, internet security and application software developer, distributor and service provider in China, has announced that a WPS purchase order of around RMB10 million has been signed by Kingsoft and China Post Group (中國郵政集團), providing the Company with a good start of 2012.

In late 2010, after the State Council issued the *Notice of Legitimate Software Use in Government Organizations*, the Government embarked on large scale procurement in 2011. This favourable policy has created an enormous market for domestic software companies, and Kingsoft has become a leader in the domestic market for legitimate software. To date, more than 70 departments, offices and ministries in the Central Government including the Ministry of Foreign Affairs, the General Administration of Press and Publication, the Ministry of Industry and Information Technology and the Science & Technology Ministry have purchased the Kingsoft WPS. According to statistics, Kingsoft WPS software accounted for 57% of the total government procurement market share in terms of ministries and commissions, and local government at all levels, achieving its best performance since the Company’s establishment. Apart from government procurement, Kingsoft has also secured numerous orders with large state-owned enterprises and financial institutions, notably China Huadian Corporation (華電集團), China Metallurgical Group Corporation (冶金科工集團) and CITIC Bank (中信銀行).

Obtaining initial purchase orders are just the beginning of its success for Kingsoft WPS. A stable progress of the corporation will only become viable when the customers come to rely on operating the products they purchase and applying them across different operations in the office, and when the customers pay the license renewal fee after the initial license period expires. Recently, the Provincial Governments of Guangdong and Zhejiang have completed most of the purchase and licence renewals of WPS. A big portion of the legitimate software use of the products have been obtained through payments of licence renewal fees. It indicated the strong competitiveness of Kingsoft’s products due to their high quality and low prices.

Xiao Bin, Vice President of Kingsoft Office Software and General Manager of Kingsoft Office Software Department, stated, "The sales volume of Kingsoft WPS Office in China as at the end of December 2011 has reached the level far beyond the historical record of the same period. Taking account of overseas sales in areas such as Japan, the global sales volume of WPS recorded in 2011 is expected to climb further to a new height. In 2012, the Company is expanding the market for Kingsoft WPS to Western Europe in countries such as Germany. The mature software market there is the main reason for such strategic decision. In the second half of 2011, Kingsoft has launched Kingsoft Secured Cloud Storage, Kingsoft Kuaipun and Kingsoft Office Mobile Edition, indicating its accomplishment of a significant step towards the strategic transformation to Cloud Computing and Mobile Internet. The Company is confident to welcome the approaching Cloud Computing and Mobile Internet era."

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About Kingsoft Corporation Limited (Stock Code: 3888)

Kingsoft is a leading Internet-based developer, distributor and service provider of entertainment software, Internet security and application software in China. Since the commercial launch of its first office applications software, WPS 1.0, in 1989 followed by over 20 years of innovative endeavors, Kingsoft has become well recognised as a leading software brand in China. Kingsoft has also rejuvenated itself by successfully transiting from “the King of package software” legacy to become an Internet application based model of Software as a Service.

Kingsoft’s main business encompasses on-line games, Internet security and application software. The Company utilises the Internet as an effective and relatively secure channel to market and distribute its products, and has built an extensive sales and distribution network. Kingsoft launches numerous well-known software products such as WPS Office, Kingsoft PowerWord, Kingsoft Internet Security and online games, including the JX Series and the First Myth series to retail customers, corporate clients and Government bodies in China. The Company is currently building a converged user platform for its diversified product portfolio and providing users with a variety of value-added services.

Enhancing the quality of digitalised lifestyle has been the mission of Kingsoft. Headquartered in Beijing, Kingsoft has set up R&D centers in Zhuhai, Beijing, Dalian and Chengdu. In addition to possessing strong R&D capabilities, Kingsoft has introduced top Internet and on-line game operation talents to its management team with the aim to enhancing user engagement and improving the efficiency of operations. Kingsoft will continue developing new products and expanding its market share in China, while vigorously penetrating into overseas markets.

For more information, please visit www.kingsoft.com

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